

**Testimony from Earth Advantage**

Related to: HB2710

House Committee on Energy and Environment  
900 Court St. NE  
Salem Oregon 97301

***Chair Helm and Committee members***

My Name is Anthony Roy – I’m with Earth Advantage, an Oregon non-profit organization that supports the building industry by providing research, training, and building certifications.

Over the last decade, we have certified over 15,000 Oregon homes and apartments to above-code energy and environmental standards. Our team of consultants works with local builders and developers on a daily basis, helping them to build more efficient, more durable, and healthier buildings. Our team is close to the ground and understands the challenges that builders face.

We believe that HB2710 is an important step forward for three key reasons:

First: In 2009, the legislature tied energy code development to state climate goals through SB79. The legislature took action to require that the state set goals for energy efficiency through state building codes and to consider aligning those goals with net zero energy construction targets. But these steps haven’t happened. HB2710 fixes this problem.

Second: HB2710 creates a clear, yet flexible pathway for improving Oregon’s building stock over time. It outlines a trajectory for the regular, incremental decrease in energy use of newly constructed homes and buildings over the next 15 years.



Third: HB2710 does not alter the code development or approval process currently in place in Oregon. What it does is set a fixed future outcome that participants in the code development and approval process can collectively steer toward, while also letting them work out the technical details every three years on the best and least costly way to achieve each incremental step.

### **Cost analysis**

The question of increased cost is always the first thing that is asked when energy codes are discussed. Earth Advantage did an analysis of the incremental first costs of the initial code improvement steps that would need to be taken to achieve the ultimate year 2032 energy efficiency goal. What we found was that homes achieving 20% better energy efficiency than required by current energy code were only about 2% more expensive to build today.

### **Market penetration**

This relatively small incremental cost difference is born out in the market share of homes that are already voluntarily being built to that 20% better than code level. Currently, around 40% of the homes built in Oregon are participating in above-code energy efficiency programs, like those managed by Energy Trust of Oregon. These builders are already building, on average, 20% more efficient than the current energy code requires. Another way to think of this current market reality: almost one-half of the residential construction market is already about one-third of the way to the targets that HB2710 sets to achieve fifteen years from now.

As standards progress we feel confident that the Oregon construction industry will find ways to maximize efficiency methods. Oregon's designers and builders have a strong history of innovating: we see it every day. We know these professionals have the capability to continue creating more energy efficient housing. And the ultimate beneficiary will be the hundreds of thousands of future Oregon renters and homebuyers who will be spending less of their monthly paycheck to cover their energy costs. Thank you.